

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 598

AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 20-1-21-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Not earlier than January 15 or later than January 31 of each year, the governing body of a school corporation shall publish an annual performance report of the school corporation, in compliance with the procedures identified in section 8 of this chapter. The report must be published one (1) time annually under IC 5-3-1.

(b) The department shall make each school corporation's annual performance report available on the department's Internet web site. **The annual performance report published on the Internet for a school corporation, including a charter school, must include any additional information submitted by the school corporation under section 7(3)(A) of this chapter.** The governing body of a school corporation may make the school corporation's annual performance report available on the school corporation's Internet web site.

(c) The governing body of a school corporation shall provide a copy of the annual performance report to any person who requests a copy. The governing body may not charge a fee for providing the copy.

SECTION 2. IC 20-1-21-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. A report must contain the following:

(1) The information listed in section 9 of this chapter for each of

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the preceding three (3) years.

(2) Additional components determined under section 8(4) of this chapter.

(3) Additional information or explanation that the governing body wishes to include, including the following:

(A) Results of nationally recognized assessments of students under programs other than the ISTEP program that a school corporation, including a charter school, uses to determine if students are meeting or exceeding academic standards in grades that are tested under the ISTEP program.

~~(A)~~ (B) Results of assessments of students under programs other than the ISTEP program that a school corporation uses to determine if students are meeting or exceeding academic standards in grades that are not tested under the ISTEP program.

~~(B)~~ (C) The number and types of staff professional development programs.

~~(C)~~ (D) The number and types of partnerships with the community, business, or higher education.

~~(D)~~ (E) Levels of parental participation.

SECTION 3. IC 20-1-21-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The state superintendent and the Indiana state board of education, in consultation with school corporations, educational organizations, appropriate state agencies, and other organizations and individuals having an interest in education, shall develop and periodically revise the following for the benchmarks and indicators of performance under section 9 of this chapter and the additional components of the performance report:

(1) Reporting procedures, including the following:

(A) A determination of the information that a school corporation must compile and the information that the department must compile.

(B) A determination of the information required on a school by school basis and the information required on a school corporation basis.

(C) A common format suitable for publication, including tables, graphics, and explanatory text. **The common format must allow the inclusion of additional information described in section 7(3)(A) of this chapter that is submitted by a school corporation, including a charter school.**

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- (2) Operational definitions.
- (3) Standards for implementation.
- (4) Additional components for the report that may be benchmarks, indicators of performance, or other information.

SECTION 4. IC 20-5.5-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. A sponsor must notify an organizer who submits a proposal under section 3.2 of this chapter of:

- (1) the acceptance of the proposal; or
- (2) the rejection of the proposal;

not later than ~~sixty (60)~~ **seventy-five (75)** days after the organizer submits the proposal.

SECTION 5. IC 20-5.5-7-10 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10. (a) The department shall carry out a program to identify all federal funds for which a charter school is eligible.**

(b) The department shall apply for all federal funds that are available for charter schools and for which Indiana is eligible.

(c) Upon receiving notice under IC 20-5.5-3-9 from a sponsor that a charter has been approved, the department shall immediately inform the organizer of the organizer's potential eligibility for federal charter school start-up grants.

(d) The department shall distribute federal charter school start-up grants to eligible organizers in a timely manner according to the department's published guidelines for distributing the grants.

(e) The department shall compile a biannual report and submit the report to the state office of federal grants and procurement and to charter school organizers and sponsors. The report submitted under this subsection must contain the following information for grants distributed under this section:

- (1) Beginning and end dates for each grant cycle.**
- (2) The dates on which:**
 - (A) grant applications and requests for renewal were received; and**
 - (B) grants were awarded.**
- (3) The amount of each grant awarded.**

SECTION 6. IC 20-5.5-7-11 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 11. (a) If the United States Department of Education approves a new competition for states to receive matching funds**

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for charter school facilities, the department shall pursue this federal funding.

(b) The department shall use the common school fund interest balance to provide state matching funds for the federal funding described in subsection (a) for the benefit of charter schools.

(c) The department shall develop guidelines and the state board shall adopt rules under IC 4-22-2 necessary to implement this section.

SECTION 7. IC 20-5.5-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A charter school may not do the following:

- (1) Operate at a site or for grades other than as specified in the charter.
- (2) Charge tuition to any student residing within the school corporation's geographic boundaries. However, a charter school may charge tuition for:
 - (A) a preschool program, unless charging tuition for the preschool program is barred under federal law; or
 - (B) a latch key program;
 if the charter school provides those programs.
- (3) Except for a foreign exchange student who is not a United States citizen, enroll a pupil who is not a resident of Indiana.
- (4) Be located in a private residence.
- (5) Provide **solely** home based instruction.

(b) A charter school is not prohibited from delivering instructional services:

- (1) through the Internet or another online arrangement; or
- (2) in any manner by computer;

if the instructional services are provided to students enrolled in the charter school in a manner that complies with any procedures adopted by the department concerning online and computer instruction in public schools.

SECTION 8. IC 20-5.5-8-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. A charter school may use any money distributed by law to the charter school to prepare financial reports and conduct audits that the charter school determines are necessary for the conduct of the affairs of the charter school. A financial report or an audit under this section does not replace a financial report or an audit required under IC 5-11-1-9.

SECTION 9. IC 20-10.1-4.6-2.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

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[EFFECTIVE UPON PASSAGE]: **Sec. 2.9. As used in this chapter, "school corporation" includes a charter school (as defined in IC 20-5.5-1-4).**

SECTION 10. IC 20-20-8-3, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Not earlier than January 15 or later than January 31 of each year, the governing body of a school corporation shall publish an annual performance report of the school corporation, in compliance with the procedures identified in section 7 of this chapter. The report must be published one (1) time annually under IC 5-3-1.

(b) The department shall make each school corporation's report available on the department's Internet web site. **The annual performance report published on the Internet for a school corporation, including a charter school, must include any additional information submitted by the school corporation under section 6(3)(A) of this chapter.** The governing body of a school corporation may make the school corporation's report available on the school corporation's Internet web site.

(c) The governing body of a school corporation shall provide a copy of the report to a person who requests a copy. The governing body may not charge a fee for providing the copy.

SECTION 11. IC 20-20-8-6, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. A report must contain the following:

- (1) The information listed in section 8 of this chapter for each of the preceding three (3) years.
- (2) Additional components determined under section 7(4) of this chapter.
- (3) Additional information or explanation that the governing body wishes to include, including the following:

(A) Results of nationally recognized assessments of students under programs other than the ISTEP program that a school corporation, including a charter school, uses to determine if students are meeting or exceeding academic standards in grades that are tested under the ISTEP program.

(~~A~~) (B) Results of assessments of students under programs other than the ISTEP program that a school corporation uses to determine if students are meeting or exceeding academic standards in grades that are not tested under the ISTEP program.

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~~(B)~~ (C) The number and types of staff professional development programs.

~~(C)~~ (D) The number and types of partnerships with the community, business, or higher education.

~~(D)~~ (E) Levels of parental participation.

SECTION 12. IC 20-20-8-7, AS ADDED BY HEA 1288-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The state superintendent and the state board, in consultation with school corporations, educational organizations, appropriate state agencies, and other organizations and individuals having an interest in education, shall develop and periodically revise the following for the benchmarks and indicators of performance under section 8 of this chapter and the additional components of the performance report:

(1) Reporting procedures, including the following:

(A) A determination of the information that a school corporation must compile and the information that the department must compile.

(B) A determination of the information required on a school by school basis and the information required on a school corporation basis.

(C) A common format suitable for publication, including tables, graphics, and explanatory text. **The common format must allow the inclusion of additional information described in section 6(3)(A) of this chapter that is submitted by a school corporation, including a charter school.**

(2) Operational definitions.

(3) Standards for implementation.

(4) Additional components for the report that may be benchmarks, indicators of performance, or other information.

SECTION 13. IC 20-24-3-9, AS ADDED BY HEA 1288-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. A sponsor must notify an organizer that submits a proposal under section 4 of this chapter of the:

(1) acceptance of the proposal; or

(2) rejection of the proposal;

not later than ~~sixty (60)~~ **seventy-five (75)** days after the organizer submits the proposal.

SECTION 14. IC 20-24-7-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 10. (a) The department shall**

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carry out a program to identify all federal funds for which a charter school is eligible.

(b) The department shall apply for all federal funds that are available for charter schools and for which Indiana is eligible.

(c) Upon receiving notice under IC 20-5.5-3-9 from a sponsor that a charter has been approved, the department shall immediately inform the organizer of the organizer's potential eligibility for federal charter school start-up grants.

(d) The department shall distribute federal charter school start-up grants to eligible organizers in a timely manner according to the department's published guidelines for distributing the grants.

(e) The department shall compile a biannual report and submit the report to the state office of federal grants and procurement and to charter school organizers and sponsors. The report submitted under this subsection must contain the following information for grants distributed under this section:

(1) Beginning and end dates for each grant cycle.

(2) The dates on which:

(A) grant applications and requests for renewal were received; and

(B) grants were awarded.

(3) The amount of each grant awarded.

SECTION 15. IC 20-24-7-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If the United States Department of Education approves a new competition for states to receive matching funds for charter school facilities, the department shall pursue this federal funding.

(b) The department shall use the common school fund interest balance to provide state matching funds for the federal funding described in subsection (a) for the benefit of charter schools.

(c) The department shall develop guidelines and the state board shall adopt rules under IC 4-22-2 necessary to implement this section.

SECTION 16. IC 20-24-8-2, AS ADDED BY HEA 1288-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A charter school may not do the following:

(1) Operate at a site or for grades other than as specified in the charter.

(2) Charge tuition to any student residing within the school corporation's geographic boundaries. However, a charter school

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may charge tuition for:

(A) a preschool program, unless charging tuition for the preschool program is barred under federal law; or

(B) a latch key program;

if the charter school provides those programs.

(3) Except for a foreign exchange student who is not a United States citizen, enroll a student who is not a resident of Indiana.

(4) Be located in a private residence.

(5) Provide **solely** home based instruction.

(b) A charter school is not prohibited from delivering instructional services:

(1) through the Internet or another online arrangement; or

(2) in any manner by computer;

if the instructional services are provided to students enrolled in the charter school in a manner that complies with any procedures adopted by the department concerning online and computer instruction in public schools.

SECTION 17. IC 20-24-8-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 7. A charter school may use any money distributed by law to the charter school to prepare financial reports and conduct audits that the charter school determines are necessary for the conduct of the affairs of the charter school. A financial report or an audit under this section does not replace a financial report or an audit required under IC 5-11-1-9.**

SECTION 18. IC 20-30-8-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 4.5. As used in this chapter, "school corporation" includes a charter school (as defined in IC 20-24-1-4).**

SECTION 19. IC 21-3-11-5, AS AMENDED BY HEA 1288-2005, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 5. As used in this chapter, "qualifying school corporation" means a school corporation, including a charter school (as defined in IC 20-24-1-4), that has been approved under IC 20-30-8-8 to receive a grant under this chapter.**

SECTION 20. An emergency is declared for this act.

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President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Approved: _____

Governor of the State of Indiana

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SEA 598 — Concur+

